Maryland Department of Human Resources

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Press Release

MARYLAND WELFARE ROLLS REACH RECORD LOW SINCE REFORM

June figures show state bucking national trend

Baltimore (July 8, 2004) – Governor Robert L. Ehrlich, Jr., today announced that welfare caseloads in Maryland have reached the lowest point in decades, with fewer state residents receiving benefits than at any time since at least the Johnson Administration.

"Welfare reform has survived a national recession," said Governor Ehrlich. "This is a great sign for Maryland's economy because research is showing that people who leave welfare are going into the workforce. Former welfare recipients are moving toward self-sufficiency, finding their footing on the economic ladder. We know there is more hard work as we continue to help people climb the ladder."

Significantly, those leaving welfare do so because of a job; they don't return to the rolls; and they keep their families intact, according to the University of Maryland's School of Social Work, *Life After Welfare* series.

In June, 69,020 people received Temporary Cash Assistance, the State's welfare benefits, according to the Maryland Department of Human Resources. That is the lowest number on record. Previously, the State's record low was 69,238 recipients, in July 2002. According to DHR records, June's figures are the lowest since 1968, the oldest monthly records available, when 108,000 residents were receiving benefits under what then was known as Aid to Families with Dependent Children.

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"This is a historic level," said Christopher J. McCabe, DHR Secretary. "Our Temporary Cash Assistance program is meant to provide temporary relief, and people are recognizing that. When people move from welfare, they not only can begin working jobs, they can begin building careers."

Kevin McGuire, executive director of DHR's Family Investment Administration, noted that in 1995, more than 225,000 Marylanders were receiving welfare benefits. The rolls have dropped by more than two-thirds over the past eight years since Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act. Mr. McGuire said that Maryland continues to make incremental gains – when many states are finding that their numbers are stable or rising.

Mr. McGuire said future job gains in Maryland could bring even more good news for welfare rolls and recipients. Those moving from welfare to work often increase their income significantly, in part because they usually can take advantage of the federal Earned Income Tax Credit. And, he said, jobs can change lives.

"Jobs give people the possibility, the opportunity to move out of poverty," Mr. McGuire said, "and that is something that welfare has never done."